

SECRET

C E N T R A L   I N T E L L I G E N C E   A G E N C Y

9 December 1955

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT : NIE 63.3/1-55: The Situation in Laos

ENCLOSURE: Board Memorandum for the DCI dated 9 December

1. We have received a requirement from Mr. Armstrong of the Department of State for an updating of NIE 63.3-55 on an urgent basis as follows:

The Department of State believes that the rapidly developing situation in Laos requires an up-dating of NIE 63.3-55. As you are aware, evidence is increasing that large-scale hostilities may break out in Laos, either at the initiative of the Royal Government after the elections scheduled to be held on December 25, or at the initiative of the Pathet Lao at an even earlier date. The Department therefore requires on an emergency basis the best possible estimate of the intentions and capabilities of the contending forces in Laos. The possibility of DRV or Chinese Communist intervention in Laos should also be considered, as should the course of action that might be adopted by the ICC. A comprehensive analysis of the underlying situation, however, does not appear to be necessary, since NIE 63.3-55 is still in large part valid.

In view of the urgency of the Department's requirements and the possible special significance of December 25, I believe that, if possible the required estimate should be submitted to the IAC at its meeting of December 20.

SECRET

SECRET

2. In view of this requirement we will hold a discussion meeting of the IAC representatives at which time oral and informal written contributions will be solicited. To facilitate discussion we have attached a relevant Board memorandum to the DCI.

3. The meeting will be held at 10:00 Tuesday, 13 December, in Room 154 Administration Building.

*Paul A. Borel*

PAUL A. BOREL  
Deputy Assistant Director  
National Estimates

- 2 -

SECRET

SECRET

C E N T R A L I N T E L L I G E N C E A G E N C Y

9 December 1955

MEMORANDUM FOR: The Director of Central Intelligence

SUBJECT : The Situation in Laos<sup>\*</sup>

1. The Geneva Agreements of 1954 proclaimed the territorial integrity of Laos and recognized the sovereignty of the Royal Laotian Government over the entire territory. The Agreements provided, however, for the grouping of Pathet Lao fighting units in the two northern provinces of Phong Saly and Sam Neua, pending the reintegration of such units into the national community. The Royal Government also pledged not to permit the introduction of foreign troops or bases or to adhere to alliances "so long as its security is not threatened." Although Laos is within the area of the SEATO guarantees, it has not joined the Pact and discouraged US and Thai suggestions in the spring of 1955 that SEATO consider the Laotian situation.

2. Following the regroupment of Pathet Lao units in the fall of 1954, the Royal Government sought by direct negotiations

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\* This memorandum has been informally coordinated with O/CI at the working level.

SECRET

## SECRET

with the Pathet Lao to secure entry for and recognition of Government administrators in the northern provinces. At the same time the Government attempted to increase the strength of its armed forces already in the area. The Pathets denied Royal jurisdiction in the north and frequent armed clashes occurred as the Pathets sought to maintain a secure base.

3. Partly because of Premier Katay's belief that the Pathets could be persuaded to cast off their Vietminh leadership and return to the fold, partly because of pressure from the ICC, the UK, France, and the US, and partly because of basic military deficiencies, the Royal Government prolonged the political negotiations and continued efforts to arrange an acceptable cease-fire within Sam Neua and Phong Saly.

4. It became increasingly evident to the Royal Government, however, that political negotiations were fruitless and that the real Pathet Lao objective was the establishment of a secure base for the eventual subversion or overrunning of all Laos. The government finally broke off political negotiations on 10 November 1955 and announced its intention to proceed with national elections in December in all areas under its control.

- 2 -

SECRET

## SECRET

Since that time the Government has increasingly turned its attention to the possibilities of forceful action to re-establish its authority in the north. The influential Crown Prince and the Defense Minister appear confident, that with an assured source of air lift, their forces could occupy the administrative centers and main lines of communication throughout Sam Neua and Phong Saly within thirty days. They are encouraged by reports of poor morale among Pathet troops and appear to believe that they have developed a resistance potential among local inhabitants that could add measurably to the effectiveness of operations by the regular forces. Although Government leaders have stated they would not take the initiative in forcing a military showdown, the proximity of rival forces and the frequent minor skirmishes provide ample opportunity for "retaliatory" action.

5. More recently, the Laotian Government has reported evidence of Pathet military activity, including the acquisition of some artillery from the Vietminh, which it regards as preparatory for an offensive. The Pathet Lao actually did attack Royal Laotian forces in Sam Neua province on 6 December and it is

- 3 -

SECRET

## SECRET

possible that the Pathet intend a series of attacks against Royal forces within Phong Saly and Sam Neua in the near future. The objective of such attacks might be to increase pressure for a resumption of negotiations, or to raise the morale of their own forces. The Communists may also fear an eventual stiffening of the western position in Laos and may desire to consolidate their position before effective measures to bolster the Royal Government can be implemented. Moreover, the Communists may believe that military action would not elicit prompt Western retaliation and would therefore demonstrate to the Thai and South Vietnamese that SEATO is an uncertain guarantee against Communist pressure.

6. In the event of major hostilities, the Pathet Lao 6,300 man force in the northern provinces could be quickly augmented by 18,000 Viet Minh troops in the vicinity. The Royal Government would face serious logistic difficulties in major defensive or offensive operations against the Pathet Lao. The Royal Army, which now has about 6,000 of its 26,000 man force in the northern provinces (mostly in the Moung Penne area south of the town of Sam Neua) is still dependent on French guidance

- 4 -

SECRET

## SECRET

for effective operation. It requires air support to supply and transport troops in the northern areas and such support is now dependent on French aircraft that would probably be withdrawn in the event of hostilities. With adequate air support, the Army probably could occupy the main centers in the provinces of Sam Neua and Phong Saly, but we believe that Vietminh units stationed near the borders would almost certainly intervene and restore the facade of the Pathet position. Although we believe that Vietminh units would be unlikely to advance beyond Sam Neua and Phong Saly, large numbers of Royal troops might be cut off and captured in these areas. Thus, in the event either of a Pathet or Royal Government offensive, a situation would probably develop in which the Government would feel compelled to request military assistance from the US or SEATO.

7. The International Control Commission has long encouraged the Royal Government to continue political negotiations with the Pathet in the hopes of avoiding a military showdown. As the prospects for Pathet Lao acceptance of Royal authority and an agreement on terms for Pathet Lao participation in the December national elections have dwindled, the Indian and Canadian

- 5 -

SECRET

## SECRET

members of the ICC have become increasingly reconciled to a de facto partitioning of Laos. The British and French, both of whom are able to influence Laotian leaders, are also strongly opposed to military action by the Royal Government. They recognize that unless the issue is forced, the Pathet Lao will gradually emerge, with Vietminh aid, as a rival claimant to power over all Laos; but they prefer this delayed threat as against the immediate prospect of an armed conflict that might force SEATO to intervene or be discredited. The Indians, and to a lesser degree the British, feel that to make an issue of Pathet violation of the Geneva accords would be inconsistent with failure to make an issue of Diem's "failure" to open consultations with the Vietminh. Among all these states there is a pervading desire not to permit the Laos issue to boil over and interfere with prospects for reducing tensions in the Far East.

8. Future developments in this situation are by no means clear. The relative military weakness of the Pathet Lao and the probable reluctance of the Vietminh to become engaged on such a scale as to risk serious danger of SEATO intervention would probably serve to limit Pathet military action to the

- 6 -

SECRET



SECRET

northern area. Even a serious Pathet Lao effort to drive the Royal troops out of the northern provinces would appear to be inconsistent with general Communist policy in Asia, but local considerations and a desire to discredit SEATO may prevail. If the Pathets do not attack, it is likely that the Laotian Government could be persuaded to temporize for some time by pressures from the western powers and the ICC, and by a belief that Pathet Lao morale is declining. We believe, however, that the Vietminh will not permit the Pathet to disintegrate and that the Royal Government will become increasingly impatient with a policy of inaction. Its eventual decision is likely to rest on its ability to obtain reliable air transport from US, Thai, or private sources, and its estimate of Vietminh reactions, and of the likelihood of US or SEATO support.

9. However, even lack of western support or airlift might not deter the Royal Government from military action. They might believe that Vietminh intervention, if it occurred, would not extend beyond restoration of the Pathet position, and would have consequences no more serious than a policy of inaction. They might even see advantages in forcing the Vietminh to expose their role in the maintenance of the Pathet movement. They

- 7 -

SECRET

SECRET

could then claim a gross violation of the Geneva Agreements, request the Geneva co-chairman to act to preserve the territorial integrity of Laos, and call upon SEATO or the US for direct military assistance.

10. The situation in Laos may simmer along with the Royal Government accepting the de facto partitioning of its territory. Even in this event, developments in the area are likely to have consequences far out of proportion to the apparent importance of the territory involved. The Thai and the South Vietnamese would tend to feel that failure to suppress the Pathet was due in part to indecision by the US and concern over their own security would increase. India's acquiescence in the partitioning of Laos would probably be interpreted by the Communists as evidence that Nehru is unwilling to make an issue of gradual Communist advances beyond Vietnam in Southeast Asia. The Communists would also tend to conclude that SEATO was not prepared to act against gradual subversion. In the event that the Royal Government employed force and was then driven back by Vietminh intervention the above consequences would be worse.

FOR THE BOARD OF NATIONAL ESTIMATES:

*Sherman Kent*  
SHERMAN KENT  
Assistant Director  
National Estimates

cc: IAC      DD/P  
D/DCI      RQM/OIS  
DDI  
AD/CI

- 8 -

SECRET